

STATEMENT OF SENATOR SLADE GORTON
CHAIRMAN, AVIATION SUBCOMMITTEE
SENATE COMMITTEE ON
COMMERCE, SCIENCE, AND TRANSPORTATION
AVIATION SUBCOMMITTEE HEARING
ON FAA REAUTHORIZATION AND THE NATIONAL CIVIL AVIATION
REVIEW COMMISSION
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Good afternoon and welcome Ms. Garvey. Today's hearing will focus on the Administration's proposal for reauthorizing the Federal Aviation Administration (FAA), including its programs for modernizing the air traffic control system and funding airport development, and its proposal for implementing the National Civil Aviation Review Commission recommendations.

These proposals outline various actions aimed at ensuring the future well being of aviation in this country. As the Commission's report made clear, the aviation system is a key driver of the nation's economy. The Commission also said that the nation's airways will soon become gridlocked if we do not make some changes to the FAA.

We are all accountable if the FAA fails to adequately respond in meeting rapidly growing demand for aviation services. We must work together to ensure that the FAA meets this challenge. The proposals we are examining today set the framework for our deliberations on this subject.

Two months ago, this subcommittee heard testimony from groups representing airports and airlines on one area of FAA responsibility, financing airport development. Their comments reflected a significant divide on whether the cap on Passenger Facility Charges (PFCs) should be raised. As I have said before, it will be difficult to raise the PFC cap if airlines and airports cannot arrive at some type of consensus, which has not yet happened.

Despite the contentious nature of this issue, the Administration has

proposed that the PFC cap be raised from \$3 to \$4. I am very interested in discussing with you, Ms. Garvey, the FAA's development of this proposal, including the analysis behind it.

We will also examine the Administration's proposal based on the Commission's recommendations. The Commission has called for restructuring the FAA and its financing process. The Administration's proposal includes many Commission recommendations, but there are some notable differences that we need to discuss. Understanding the implications of this proposal is particularly important because the Commerce Committee is required to act within 60 days of its introduction in the Senate.

I also want to discuss the status of the FAA's Year 2000 efforts. DOT Deputy Secretary Downey's comments at the Committee's Year 2000 hearing this past Tuesday were somewhat troubling. I understand that the DOT has only 37 percent of its mission critical systems fixed, many of which are FAA systems. Ms. Garvey we need to keep an ongoing and open dialogue on where the FAA stands on Year 2000 compliance, so we can help you achieve our mutual goal that the aviation system functions without a hitch on January 1, 2000.

Although Administrator Garvey has appeared before the committee on other occasions, this is her first time before us to discuss the FAA's reauthorization. Madam Administrator, I appreciate your being here today, and I look forward to your testimony.